

1 A. I -- I do not believe I have a good
2 indication of the use cases around those providing
3 liquidity for XRP.

4 Q. Was there ever a time when XRP was more
5 widely used for purposes other than trading?

6 MS. ZORNBERG: Object to form.

7 A. Well, to my knowledge, similar to other
8 currencies and other cryptocurrencies and as used
9 in ODL and xRapid, you know, you trade the -- the
10 currency for other currencies such as fiat. So
11 you can look at ODL and pretty much a number of
12 the customers make at least two trades, one on the
13 originating exchange and one on the receiving
14 exchange.

15 And so by definition, a lot of the folks
16 to my knowledge leverage XRP and trade it,
17 including those that are in our enterprise
18 customer portfolio for ODL and xRapid.

19 (Whereupon, exhibit is presented
20 and marked SEC Birla Exhibit AB-6 for
21 identification.)

22 MR. TENREIRO: Number 6.

23 MR. HANAUER: I just tendered the
24 witness a document labeled Exhibit AB-6
25 with a beginning Bates number ending in

1 2305.

2 BY MR. HANAUER:

3 Q. And, Mr. Birla, Exhibit AB-6 is an
4 e-mail chain ending with an e-mail you sent to
5 [REDACTED] on June 3rd, 2015?

6 A. Yes.

7 Q. Who's Mr. [REDACTED]?

8 A. Mr. [REDACTED] was the vice president of
9 prod -- sorry. Mr. [REDACTED] was the vice president
10 of engineering, I believe.

11 Q. And do you see on your -- the top e-mail
12 of AB-6, the last bullet point you write "We have
13 zero nonspeculative volume on Ripple today, this
14 would light up our first corridor. USD to MXN."

15 A. Yes, I see that.

16 Q. What are you writing about there?

17 A. I'm writing about an early version or
18 incarnation of the product known as xRapid or ODL.
19 I believe it's referred to RPP above.

20 Q. So what did you mean when there was
21 "zero nonspeculative volume"?

22 A. Meaning the order books, in this case
23 between U.S. dollars and MXN, were largely
24 unknown. And as I mentioned before, there are two
25 types of liquidity on exchanges: One is natural

1 liquidity and one is, you know, contracted
2 liquidity. And in this case, I was referring
3 primarily to there being, you know, non -- natural
4 liquidity on the exchanges between this corridor.

5 Q. So are you saying that all of the
6 liquidity that you reference in your e-mail came
7 from speculative traders?

8 A. By my definition, the -- the traders
9 were unknown and the liquidity was unknown.
10 Again, on -- referred to as, like, natural
11 liquidity on the -- these exchanges.

12 Q. How would Ripple have been able to tell
13 what the -- the known liquidity was or the -- the
14 known volume?

15 A. By my definition of known volume, it
16 would be volume that was sent through -- given my
17 role as product at Ripple, would be volume sent
18 through the xRapid/ODL.
19 Products, RPP products.

20 Q. Oh. So are you meaning that all the
21 volume on the -- well, what -- when you say
22 "nonspeculative volume on Ripple today," what --
23 what are you referring to when you say "on
24 Ripple"?

25 A. I don't know for certain. Yeah, I don't

1 know for certain.

2 Q. So are you saying that all the volume in
3 XRP trading was being driven by people trading XRP
4 on exchanges as opposed to those using XRP -- or
5 using Ripple products?

6 MR. HECKER: Objection to form.

7 A. It's unclear if I were refer -- if I was
8 referring to the XRPLDex or other -- other
9 products or other exchanges.

10 Q. Because at this point in time, 2015,
11 xRapid was not in use, correct?

12 A. The precursor to xRapid was RPP, which
13 is mentioned above -- below 1.

14 Q. Okay. So it sounds like on June 3rd,
15 2015, RPP was not generating any volume in XRP,
16 correct?

17 A. Well, according to the e-mail, it
18 mentions that it's zero from U.S. dollars, so I'm
19 not sure.

20 MR. HANAUER: Seven.

21 MR. TENREIRO: Here's 7.

22 (Whereupon, exhibit is presented
23 and marked SEC Birla Exhibit AB-7 for
24 identification.)

25 MR. HANAUER: I've just tendered

1 the witness Exhibit -- or a document
2 labeled AB-7, which is a document
3 beginning with the Bates number ending in
4 7378.

5 BY MR. HANAUER:

6 Q. And I take it you've seen Exhibit AB-7
7 before?

8 A. I'll read through the whole thing
9 because I -- I don't know for certain.

10 (Pause)

11 Q. So Exhibit AB-7, that's an e-mail that
12 you sent to Monica Long on June 12, 2015?

13 A. Yes.

14 Q. And it starts off "Read this thread."

15 A. Correct.

16 Q. So I assume you had read the e-mail
17 chain at the time you sent the e-mail?

18 A. I believe so, yes.

19 Q. And I want to refer you to the second
20 page of the exhibit, the portion of the e-mail
21 that references Arthur Britto at 11:46 a.m.

22 And Mr. Britto, was he one of the
23 founders of Ripple?

24 A. I believe he was one of the co-founders
25 of Ripple.

1 Q. Did -- what was his role at the company
2 in 2015?

3 A. It was a little -- I don't know for
4 certain. It was a little unclear what his exact
5 role was at the company.

6 Q. Was he a board member?

7 A. I don't know.

8 Q. And do you see Britto writes "I talked
9 with Chris yesterday. He wants to keep Ripple
10 Trade for nonconsumer. Our target is: Speculator
11 traders and market makers"?

12 MR. HECKER: Objection to the
13 form of the question.

14 Q. Do you see the part I'm referring to?

15 A. I see the part you're referring to.

16 Q. Okay. And did you understand Mr. Britto
17 to be referring to Chris Larsen?

18 A. I believe so, yes.

19 Q. And at the time, June 2015, was
20 Mr. Larsen the CEO of Ripple or was
21 Mr. Garlinghouse?

22 A. I don't know for certain, but I believe
23 Chris was the CEO.

24 Q. And what is Ripple Trade or was Ripple
25 Trade?

1 A. So the XRP ledger is a -- a
2 decentralized platform that enables developers and
3 users to send money between accounts using
4 application APIs or application interfaces. It's
5 a -- it's -- it's open source and decentralized.
6 You can also exchange different tokens or IOUs
7 between -- using the XRPLDex. And you can do this
8 through, again, APIs or web sockets to interface
9 with the XRP ledger.

10 What Ripple Trade does is -- well, what
11 the XRP client does is a downloadable, you can
12 think of it as a web browser. It allows you to
13 navigate the features of the XRP ledger using a
14 graphical user interface. That's what the XRPL
15 client does.

16 What Ripple Trade is is a hosted
17 version. So while I said the XRPL client is a
18 downloadable version, meaning you would have to
19 download it and run it on your local machine, the
20 Ripple Trade was a hosted version. So you could
21 access it by going to www.RippleTrade.com.

22 Q. And could a user trade Ripple, buy and
23 sell Ripple, on Ripple Trade? Or, I'm sorry,
24 could a -- could a Ripple Trade user buy and --
25 purchase and sell XRP on Ripple Trade?

1 A. To be clear, it's a -- it's a graphical
2 user interface and you would need to first get
3 money on to the XRP ledger using one of the
4 decentralized gateways. I believe at this time,
5 one of them was known as [REDACTED]. And then once
6 those U.S. dollar IOUs or tokens or staple coins
7 were on the XRP ledger, you could then -- and in
8 your account, you could then use Ripple Trade to
9 access the XRPLDex and trade it.

10 Q. And in 2015, was Ripple developing
11 products for those who traded in XRP?

12 A. The -- the product focus was for -- was
13 Ripple Trade and it was a product for trading any
14 digital asset represented on the XRP ledger, which
15 could be U.S. dollars as a staple coin, could
16 be -- I believe there was RMB. There was gold at
17 one point, I believe, around this time -- time
18 frame. There was bitcoin, Litecoin, I believe
19 DOGE coin, and XRP as well.

20 And you could trade -- if there was an
21 order book available, you could trade directly --
22 sorry. If there was an order book available
23 within the asset, between an asset you had in your
24 wallet, an asset you wanted, you could trade using
25 Ripple Trade. If there wasn't an order book

1 available, it used a feature called "auto
2 bridging" which would bridge that trade through
3 XRP if it made sense and provided a better
4 experience to the customer of Ripple Trade.

5 So it was -- it was a graphical user
6 interface to trade and hold a number of different
7 tokenized assets that were on the XRP ledger. I
8 named a few of them.

9 Q. And when Mr. Britto writes about
10 targeting speculators, traders and market makers,
11 did you understand that to be referencing XRP
12 speculators, traders and market makers?

13 A. My definition is -- is -- is the same in
14 that you don't know who the -- you know, the use
15 cases of the users are. For example, they could
16 be using Ripple Trade to buy and hold gold which
17 was represented on the XRP ledger.

18 Q. But you wrote "XRP is going to be the
19 death of us."

20 A. Yes, that's correct.

21 Q. So --

22 MS. ZORNBERG: Object to the
23 characterization "but you wrote." I
24 don't -- I don't know -- I think the
25 witness answered that he -- it's correct

1 that he wrote "XRP is going to be the
2 death of us," not "but."

3 Q. Okay. So having said that, did you
4 understand that Mr. Britto was talking about XRP
5 speculators, traders and market makers?

6 A. Could we reset here? So are you
7 referring to XRP as being the death of us? Are we
8 going back to the portion in the document?

9 Q. Right. So I'm asking about the portion
10 in the document where it's -- where the e-mail
11 says "Our target is: Speculators, traders and
12 market makers."

13 And I asked you, "Was that referring to
14 XRP?" And I think you said it could have been
15 any -- any commodity or product. Then I
16 referenced you writing "XRP is going to be the
17 death of us."

18 And now I'm asking, having seen all
19 that, did you understand that Britto was writing
20 about XRP speculators, traders and market makers?

21 MR. HECKER: Objection;
22 foundation. Obviously the -- the exchange
23 here has a whole lot more and you haven't
24 connected them up. So lack of foundation.

25 Q. You can answer.

1 A. So given that the product Ripple Trade
2 enables a whole lot of different tokens, I
3 mentioned a number of them and you can trade
4 amongst them. And my definition of speculators --
5 speculator as being you don't know what they're
6 doing, it's not a known use case. I believe he
7 was talking about folks that wanted to leverage
8 Ripple Trade for a number of different use cases
9 against a number of different assets.

10 Q. So why did you write "XRP is going to be
11 the death of us"?

12 MR. HECKER: Same objection.

13 A. So at this time -- to my knowledge, at
14 this time, I had roughly -- I was running, you
15 know, product, and I had roughly 15 engineers
16 total. Rough estimate. And we had agreed -- at
17 least I perceived we had an alignment -- to focus
18 on enterprise customers, financial institutions.

19 And developing products for financial
20 institutions is -- is -- is super complicated,
21 requires a lot of security protocols, testing,
22 deployment into financial institutions. It's very
23 resource-intensive. And at the time, I was trying
24 to get a product for enterprises out the door with
25 a very limited set of engineering and product

1 resources.

2 And I had felt we made a decision to
3 sunset Ripple Trade and I could take some of the
4 engineers and move them over to the enterprise
5 product and -- and this was counter to it.

6 And so as a product person, your job is
7 to prioritize but deliver a great experience to
8 customers, a game-changing experience to
9 customers. And I was frustrated that I wasn't --
10 I wasn't able to do that given I had -- I was
11 split between a number of different product sets.

12 Q. So you were unhappy that Mr. Larsen was
13 more focused on XRP than the other types of
14 products that you were trying to develop?

15 MS. ZORNBERG: Objection to form.

16 MS. DEARBORN: Objection. Join.

17 A. Can you rephrase the question, please?

18 Q. So when you write XR -- I was just
19 trying to summarize what -- your answer to the
20 previous question. And it sounds like you were
21 unhappy that either Mr. Larsen or Mr. Britto was
22 trying to -- was too focused on XRP and not
23 focused enough on the other products you were
24 trying to develop?

25 MR. HECKER: That's --

1 MS. ZORNBERG: Objection; lack of
2 foundation.

3 MS. DEARBORN: And objection to
4 form on top of that. Thank you.

5 A. That -- that's an incorrect summary. My
6 summary was that there was a Ripple Trade product
7 that was going after a different set of customers,
8 a different product architecture. And then I was
9 trying to get out a -- a product that was focused
10 on enterprise customers and I had limited
11 resources, I think I mentioned around 15, maybe --
12 maybe not even 15, spread across both of these
13 products.

14 I thought we had alignment to move in
15 the enterprise direction and felt like we were
16 moving that way, but this was counter to that.

17 Q. I don't understand. What's the problem
18 with XRP? Why is that -- why was the focus on XRP
19 a problem?

20 A. It wasn't so much a focus on XRP. It
21 was a focus on the architecture of something built
22 directly on the XRP ledger, being Ripple Trade,
23 versus Ripple Connect was a very, very different
24 architecture. And a product like Ripple Trade
25 that was a browser, a decentralized browser on top

1 of XRP -- XRPL that allowed you to trade a lot of
2 different assets wasn't the use case we agreed to
3 move forward with.

4 MR. HANAUER: Nine.

5 (Whereupon, exhibit is presented
6 and marked SEC Birla Exhibit AB-9 for
7 identification.)

8 MR. TENREIRO: Here comes 9.

9 MR. HECKER: Thanks.

10 MR. HANAUER: I just tendered the
11 witness a document labeled as Exhibit
12 AB-9, which begins with the Bates number
13 ending in 2714.

14 BY MR. HANAUER:

15 Q. And AB-9 is an e-mail you sent to
16 Patrick Griffin on June 26th, 2016?

17 A. That is correct.

18 Q. And you're responding to an e-mail that
19 Mr. Griffin wrote to you the same day?

20 A. I believe he wrote it the team at
21 Ripple, which I was part of.

22 Q. And whatever Mr. Griffin wrote, you
23 responded by writing "Good e-mail"?

24 A. It's unclear -- I mean, I responded with
25 "Good e-mail," but unclear if I was saying the

1 entire part of it was -- was good or just a few
2 segments related to my products.

3 Q. And do you see on the -- a couple
4 paragraphs down in Mr. Griffin's e-mail to you, he
5 writes "Long term, we want payment volume versus
6 speculation to drive more competitive rates in
7 RLS"?

8 What did you understand him to be
9 talking about?

10 A. Let me read a little bit more to get the
11 full context.

12 (Pause)

13 A. Okay. Repeat the question, please.

14 MR. HANAUER: Can you read the
15 question back, please?

16 (Whereupon, the record was read
17 back.)

18 A. I don't know for certain, but I believe
19 he is referring to the depth of liquidity
20 available and how to create deeper liquidity to
21 provide a better experience for customers.

22 Q. And then the bullet point where he
23 writes "We have more speculative demand for
24 cryptocurrencies than payment volume," what do you
25 understand him to mean there?

1 A. You know, back to my, you know, original
2 definition, payment of volume originating through
3 Ripple products is volume we know about. And what
4 he's referring to is that volume compared to the
5 unknown volume, you know, the speculative volume,
6 as he refers to here, and I had referred to as
7 natural liquidity. The ratio of such is the
8 natural liquidity is higher, far higher, than the
9 payment liquidity.

10 Q. And in June 2016, did Ripple want to
11 attract more speculative trading volume in XRP?

12 A. I don't know for certain, but helping
13 build liquidity into corridors that our customers
14 wanted provided a better experience for our
15 customers, both in the competitive rates and in
16 the depth of liquidity amount you could send using
17 our products and services.

18 Q. So, yes, Ripple was trying to attract
19 more speculative trading volume in XRP in June
20 2016?

21 MS. ZORNBERG: Objection to form.

22 MR. HECKER: Objection.

23 A. Building natural liquidity at exchanges
24 that were part of the product suite was
25 advantageous to the product experience and

1 benefited our customers.

2 Q. So -- and I'm just trying to use
3 Mr. Griffin's words to you here. He writes about
4 "attracting more speculative volume."

5 Is that something Ripple was trying to
6 do in June 2016?

7 MR. HECKER: Objection to form;
8 asked and answered. This is the third
9 time.

10 MR. HANAUER: Third time I've
11 asked.

12 MR. HECKER: Yeah.

13 MR. HANAUER: He's yet to answer
14 the question.

15 MR. HECKER: Yeah, he has.
16 You're just trying to put Mr. Griffin's
17 words in his mouth and he's telling you
18 his answer. He's allowed to put it in his
19 own words.

20 A. So, you know, in -- in -- as the head of
21 product, it was advantageous to me to build
22 natural liquidity for -- for my products that
23 improved the product experience. Better rates in
24 a lot of cases and -- and more depth meant you can
25 send more to the products. And in 2016,

1 cryptocurrencies and the ecosystem was nascent and
2 it had a short liquidity, short order books. And
3 that impacted the product experience in a negative
4 way.

5 Q. So in 2016, what was Ripple doing to
6 attract more speculative trading volume in XRP?

7 MS. DEARBORN: Object to form.

8 A. Other than what's noted here, I don't
9 know for certain.

10 Q. Was Ripple providing incentives to
11 market makers?

12 A. At this time period, I don't know.

13 Q. Does Ripple currently provide incentives
14 to market makers?

15 A. When -- in certain corridors where the
16 depth of liquidity isn't sufficient to provide a
17 good experience for our customers, there are times
18 where we work with contracted market makers to
19 help supplement liquidity. Supplement liquidity
20 means the delta between what we need to help
21 provide a good experience for our customers and
22 what's available via natural liquidity is
23 mismatched. And in those cases, and usually at
24 the destination exchange, Ripple-contracted market
25 makers are often employed.

1 Q. That means Ripple paid market makers?

2 MR. HECKER: Objection to form.

3 A. I don't know the -- I don't know the
4 exact mechanics, but they're either incented or a
5 subsidy, but I don't know the exact mechanics.

6 MR. TENREIRO: Ten. Exhibit 10.

7 THE WITNESS: Are we done with
8 this one?

9 MR. HANAUER: Yes, thank you.

10 (Whereupon, exhibit is presented
11 and marked SEC Birla Exhibit AB-10 for
12 identification.)

13 MR. HANAUER: And I tendered the
14 witness a document marked as Exhibit
15 AB-10, which begins with a Bates number
16 ending in 8104.

17 BY MR. HANAUER:

18 Q. And, Mr. Birla, is Exhibit AB-10 an
19 e-mail that you sent to Patrick Griffin on
20 September 13th, 2016?

21 A. I believe so.

22 Q. And there's a reference to [REDACTED] in the --
23 your e-mail and then the e-mail earlier in the
24 chain.

25 What -- what was [REDACTED]?

1 A. I don't know for certain, but I believe
2 in this context, [REDACTED] was -- was [REDACTED]

3 [REDACTED]
4 Q. Okay. And what was -- what was [REDACTED]'s
5 business?

6 A. At this time frame, I wasn't super
7 familiar with what [REDACTED] was. I believe they owned
8 [REDACTED] but at this time frame, I don't -- I
9 don't remember exactly what [REDACTED] did.

10 Q. Okay. So in your e-mail to Mr. Griffin,
11 you reference -- after the bullet points, you said
12 "These two points above are tactics to address
13 volume growth concerns that [REDACTED] and other
14 investors will have regarding XRP."

15 Did -- did you understand [REDACTED] to be an
16 investor or potential investor in XRP?

17 A. I don't know for certain if [REDACTED] was an
18 investor in XRP at the time.

19 Q. And do you see Mr. Griffin's e-mail to
20 you at the bottom of the first page on Exhibit
21 AB-10? Mr. Griffin writes "Brad and I met with
22 [REDACTED] this afternoon in New York. Our" objection --
23 "Our objective was to engage [REDACTED] to launch a new
24 XRP fund"?

25 A. I see that.

1 Q. Was it your understanding that
2 Mr. Griffin and Mr. Garlinghouse had an objective
3 to have [REDACTED] launch a new investment product
4 involving XRP?

5 A. I'd have to read the rest of this to
6 understand.

7 Q. Okay.

8 (Pause)

9 A. Do you mind repeating the question?

10 Q. Was it your understanding that
11 Mr. Griffin and Mr. Garlinghouse had an objective
12 for [REDACTED] to launch a new investment product
13 involving XRP?

14 A. From reading the e-mail, I believe that
15 to be true.

16 Q. And then do you see on the second page
17 of Exhibit AB-10 this paragraph that -- or the
18 bullet point that begins "Predictability"?
19 Mr. Griffin writes "An obstacle to getting new
20 money into XRP is predictability of supply to
21 assign a valuation to XRP. Investors need
22 certainty and stability to evaluate risk and price
23 accordingly"?

24 A. I see that.

25 Q. And did you understand Mr. Griffin to be

1 writing about concerns that investors had about
2 XRP?

3 A. I understand this to be [REDACTED]'s feedback
4 summarized by Patrick.

5 Q. And [REDACTED] was a potential investor in XRP?

6 A. I believe so, yes.

7 Q. And why was Ripple trying to get [REDACTED] to
8 invest in XRP?

9 A. In my role as -- at this time as head of
10 product, that wasn't something that my function
11 covered, so I don't know.

12 Q. Would increased investment in XRP have
13 helped the products you were developing that used
14 XRP work better?

15 A. I don't know.

16 Q. Do you see the -- the second paragraph
17 on page -- page 2 of Exhibit AB-10 where it
18 reference -- where it says "On OTC XRP purchases,
19 they do not plan to purchase more XRP"?

20 A. Oh, sorry, can you -- what page was
21 that?

22 Q. I'm sorry, the second page of Exhibit
23 AB-10, just the second --

24 A. Second page and --

25 Q. -- paragraph, first sentence.

1 A. And can you rephrase the question or
2 repeat the question, please?

3 Q. I just wanted to ask what are the OTC
4 XRP purchases referenced in Mr. Griffin's e-mail?

5 A. That seems -- I don't know for certain.
6 It seems like a summary of what [REDACTED] and [REDACTED] were
7 doing to purchase XRP.

8 Q. What were your understanding of Ripple's
9 over-the-counter XRP sales?

10 A. In the context of this e-mail?

11 Q. Just have you heard that terminology
12 before?

13 A. Is the question -- can you rephrase the
14 question, please?

15 Q. Yeah. What was your understanding of
16 Ripple's over-the-counter XRP sales?

17 A. I did not have a deep understanding
18 to -- to my knowledge.

19 Q. Were those the sales of XRP that Ripple
20 was using to fund its operations?

21 MS. ZORNBERG: Object to form.

22 A. Can you rephrase the question, please?

23 Q. So Ripple's over-the-counter XRP sales,
24 were those the sales of XRP that Ripple was using
25 to fund its operations?

1 A. Time frame matters. For example, right
2 now XRP is sold, you know, for use to Ripple
3 customers that are using the ODL product.

4 Q. Sold by Ripple?

5 A. So as of right now, to my knowledge, the
6 XRP is sold to Ripple customers for use in ODL
7 by -- by Ripple.

8 Q. And back in 2016, before ODL was in
9 commercial use, Ripple was selling XRP to
10 investors like [REDACTED]

11 A. I do not recall.

12 Q. Did Ripple ever have speculative trading
13 volume targets?

14 MS. ZORNBERG: Object to form.

15 You can answer.

16 A. I do not recall.

17 MR. HANAUER: Okay. Can we look
18 at Exhibit 19, please?

19 (Whereupon, exhibit is presented
20 and marked SEC Birla Exhibit AB-19 for
21 identification.)

22 MR. HANAUER: I tendered the
23 witness a document labeled AB-19, which
24 has a Bates number ending in 8282.

25 BY MR. HANAUER:

1 Q. Mr. Birla, Exhibit AB-19 is an e-mail
2 from Patrick Griffin copying you dated April 13th,
3 2017?

4 A. That's correct.

5 Q. And in the, I guess, second e-mail of
6 the chain -- who is Ms. [sic] [REDACTED]

7 [REDACTED]?

8 A. Mr. [REDACTED] was a product
9 manager.

10 Q. He worked for you?

11 A. That -- that is correct.

12 Q. Does he still work for you?

13 A. No, he does not. No, he does not.

14 Q. And do you see how in just the second
15 e-mail in the chain, Mr. [REDACTED] writes "This
16 will lead to more" specu -- "speculative volume,
17 which is a target goal for Ripple in Q2"?

18 A. I -- I see that, yes.

19 Q. Does that refresh your rec --
20 recollection whether Ripple had speculative
21 trading volume targets?

22 A. I do not recall. I do not remember this
23 e-mail.

24 Q. And that's not the -- the question.
25 Does reading about one of your subordinates

1 writing about speculative volume being a target
2 goal, does that refresh your recollection of
3 whether Ripple had speculative trading volume
4 targets?

5 A. That does not help refresh my memory.

6 MR. HANAUER: Twenty-four.

7 (Whereupon, exhibit is presented
8 and marked SEC Birla Exhibit AB-24 for
9 identification.)

10 MR. HANAUER: I tendered the
11 witness a document labeled Exhibit AB-24
12 with the Bates number beginning

13 [REDACTED] 0044098.

14 BY MR. HANAUER:

15 Q. And Exhibit AB-24, that's an e-mail from
16 you to [REDACTED] dated November 29th, 2017?

17 A. That's correct.

18 Q. And Ms. [REDACTED], she was an employee of

19 [REDACTED]
20 A. I believe that's correct.

21 Q. And Ms. [REDACTED] is e-mailing you talking
22 points?

23 A. I believe that to be true, yes.

24 Q. And do you see the part where it's --
25 where it's a little bolded and it says "[REDACTED]"

1 News," and the bullet point says "We were excited
2 to hear about [REDACTED]'s interest in XRP - it's the
3 first ever XRP fund"?

4 A. Yes, I see that.

5 Q. Who's the "[REDACTED]" that Ms. [REDACTED] is
6 referring to?

7 A. I don't know for certain, but I believe
8 that's [REDACTED]

9 Q. And who is Mr. [REDACTED]

10 A. He is the founder of [REDACTED]

11 Q. And what's [REDACTED]

12 A. [REDACTED] is a -- is a online
13 publication.

14 Q. And when Ms. [REDACTED] is writing "We were"
15 -- "We were excited to hear about [REDACTED]'s interest
16 in XRP - it's the first ever XRP fund," what was
17 she referring -- what was your understanding of
18 what she's referring to there?

19 A. I don't know for certain, but likely

20 [REDACTED]'s fund, blockchain fund.

21 Q. And that was good news that
22 Mr. [REDACTED] was creating an XRP investment fund?

23 A. I -- I don't recall if it was good news
24 or just news.

25 Q. Ms. [REDACTED] wanted you to say in talking

1 points that Ripple was excited about that fund?

2 A. Are you referring to the "Reactive Only"
3 talking points?

4 Q. Yes.

5 A. Yes, I believe [REDACTED] has some points
6 here about excitement about [REDACTED]'s interest in
7 XRP.

8 Q. So that was -- the launching of the
9 first-ever XRP fund, from a Ripple perspective
10 that's good news?

11 A. From my recollection, it -- it wasn't
12 something that on the product side that I noted as
13 important.

14 Q. And further up in that e-mail to you,
15 Ms. [REDACTED] writes "Today speculators are buying
16 XRP on over 30 exchanges." She lists them. And
17 then it continues, "and you can expect to see even
18 more in 2018. This is a positive sign for the
19 ecosystem - corporates and hedgers will be
20 watching and taking cues"?

21 Was it a positive sign for Ripple that
22 in November 2017, speculators were buying XRP on
23 over 30 exchanges?

24 A. I don't know for certain, but I do
25 remember being excited that exchanges in

1 destinations that the ODL and xRapid product was
2 receiving feedback from our customers -- sorry,
3 let me rephrase.

4 I do remember being excited that our
5 customers had asked for destinations that we
6 didn't have available as part of the ODL exchange
7 and -- and product. And some of them -- some of
8 these destinations were now listing XRP, which is
9 a precursor to making them available in the xRapid
10 and ODL product.

11 Q. And you understood that Ms. [REDACTED] was
12 giving you guidance to talk publicly about the
13 fact that speculators are buying XRP on over 30
14 exchanges?

15 MS. ZORNBERG: Object to form.

16 A. I don't remember, you know, reading this
17 e-mail, but in the talking points, she does allude
18 to a point about speculators buying XRP.

19 Q. So back in November 2017, were all of
20 the different exchanges that Ripple was trying to
21 get XRP trading on, were all those exchanges in
22 countries where ODL would be sending money to?

23 A. Can you rephrase the question, please?

24 Q. All right. So I think you had talked
25 about how ODL/xRapid, that product, involved

1 sending money from the U.S. to a foreign country,
2 right?

3 A. I don't think I mentioned U.S., but U.S.
4 was one of the origination points. Also available
5 in Europe.

6 Q. Okay. And if the U.S. was an
7 origination point, what would you -- what's the --
8 how would you call the receiving point?

9 A. The destination.

10 Q. The destination.

11 A. Yeah.

12 Q. Okay. So were all of the exchanges that
13 Ripple was trying to get XRP listed on, were all
14 of those exchanges in destination countries for
15 ODL/xRapid users?

16 MS. ZORNBERG: I'm going to
17 object to form and point out the
18 witness's -- I think it's asked and
19 answered in that he referred previously to
20 precursors to the ODL being available.

21 You can answer.

22 A. Do you mind rephrasing the question?

23 Q. Okay. So were all the exchanges that
24 Ripple was trying to get XRP listed on, were all
25 those exchanges in countries, destination

1 countries, for ODL or its precursor products?

2 MS. ZORNBERG: Object to form and
3 to the piece where you said that Ripple --
4 exchanges "Ripple was trying to get XRP
5 listed on." Object to that terminology.

6 A. My product team worked closely with
7 business development associates that helped add
8 exchanges that were of interest to our customers
9 to the ODL product suite. A precursor to adding
10 it to the ODL product suite would have been for
11 that exchange in the destination to have listed
12 and built liquidity -- liquidity around XRP.

13 MR. HANAUER: Let's go to Exhibit
14 42.

15 (Whereupon, exhibit is presented
16 and marked SEC Birla Exhibit AB-42 for
17 identification.)

18 MR. HANAUER: I just tendered the
19 witness Exhibit -- a document labeled
20 Exhibit AB-42, which is -- begins on a
21 page Bate -- with a Bates number ending in
22 2869.

23 BY MR. HANAUER:

24 Q. And, Mr. Birla, is Exhibit AB-42 an
25 e-mail that you sent to Brad Garlinghouse on

1 January 8th, 2020?

2 A. Yes, that is correct.

3 Q. And when -- you write "As we've
4 discussed - how do we bring institutional grade
5 exchanges and liquidity providers to some of our
6 core markets either through partnerships (e.g.
7 [REDACTED] or roll-ups (e.g. leveraging [REDACTED] to
8 roll-up LatAM exchanges) "?

9 And are you referring to there about
10 efforts to get exchanges to list XRP in the
11 destination of countries for ODL users?

12 A. I'm going to read the e-mail.

13 (Pause)

14 A. Do you mind repeating the question,
15 please?

16 Q. So the first sen -- or the first part of
17 that paragraph, "how do we bring institutional
18 grade exchanges and liquidity providers to some of
19 our core markets," do you see that?

20 A. I do.

21 Q. Are -- are you referring there to the
22 exchanges, the digital asset exchanges, in the
23 destination countries where ODL users were
24 transferring money?

25 A. I believe I'm referring to a need for

1 high-quality exchanges. In the architecture of
2 the product, ODL were highly reliant on nascent
3 crypto exchanges. If the crypto exchange goes
4 down, our products go down as well in the current
5 architecture. So I'm referring to, hey, can we
6 look and find high-quality institutional grade
7 exchanges that are run by robust partners to
8 enhance the -- the ODL product experience.

9 Q. So Ripple was making efforts to ensure
10 that XRP was traded on high-quality exchanges in
11 the destination countries?

12 A. As part of the experience, having
13 high-quality exchanges enhance the ODL experience.
14 Some of the exchanges mentioned here, [REDACTED] would
15 be an originating exchange. I believe [REDACTED] would
16 be their prominent Singaporean bank. And
17 Singaporean dollars are an origination exchange.
18 Second part would be LatAM. LatAM would be more
19 or less in that destination. And -- and under
20 your terminology that would be correct.

21 Q. Correct that Ripple made efforts to
22 ensure that there were high-quality exchanges
23 where XRP could be traded in the destination
24 countries?

25 MS. ZORNBERG: Objection to form.

1 A. In -- in my role, I was concerned about
2 the -- in the context of this e-mail, it's more
3 the robustness of the technical infrastructure and
4 rely -- reliability of the exchanges and that's
5 what I'm referring to.

6 Q. Right. And so Ripple --

7 A. And part --

8 Q. Oh, I'm sorry, continue.

9 A. That's part of the ODL experience. And
10 so I'm -- I'm focused on uptime, redundancies of
11 code. If they're on AWS, do they have a backup in
12 case AWS goes down? Your average crypto player
13 outside of the top three or four don't have that
14 kind of robustness, but institutional players like
15 [REDACTED] because they offer banking infrastructure, do
16 have that kind of technical robustness.

17 Q. Right.

18 So Ripple was making efforts to make
19 sure that XRP could be traded on high-quality
20 exchanges?

21 MS. ZORNBERG: Same objection.

22 MR. SOLOMON: Objection. You

23 keep slipping in a legal term, "efforts."

24 He has to answer the question his way, not
25 your way. Can you let him use his own

1 words, please?

2 Objection; form.

3 MR. HANAUER: Anything else?

4 BY MR. HANAUER:

5 Q. You can answer the question.

6 A. As the head of product, I want
7 high-quality exchanges for the ODL experience.
8 And having high-quality exchanges means that
9 they're -- they have redundancy. They know how to
10 run technical bank-grade infrastructure. And --
11 and [REDACTED] the example given here, is a
12 Singaporean -- large Singaporean bank that was
13 interested in running an exchange, a crypto
14 exchange, as well. And that I felt would be
15 advantageous to the product experience.

16 Q. So --

17 A. Searching for destination exchanges and
18 LatAM based on our customer needs. And, again,
19 LatAM, very difficult to find high-quality
20 exchanges with technical -- robust technical
21 infrastructure and security protocols. The idea
22 would be could we find someone that was familiar
23 with financial applications on businesses to help
24 find those exchanges to be part of the ODL
25 experience.